



### Spotlight on Casino Investments in Missouri

FROM LEFT TO RIGHT (this page):  
Terrible's St. Jo Frontier has completed a \$5.6 million remodeling project.

Terrible's Mark Twain has a \$1 million renovation project underway.



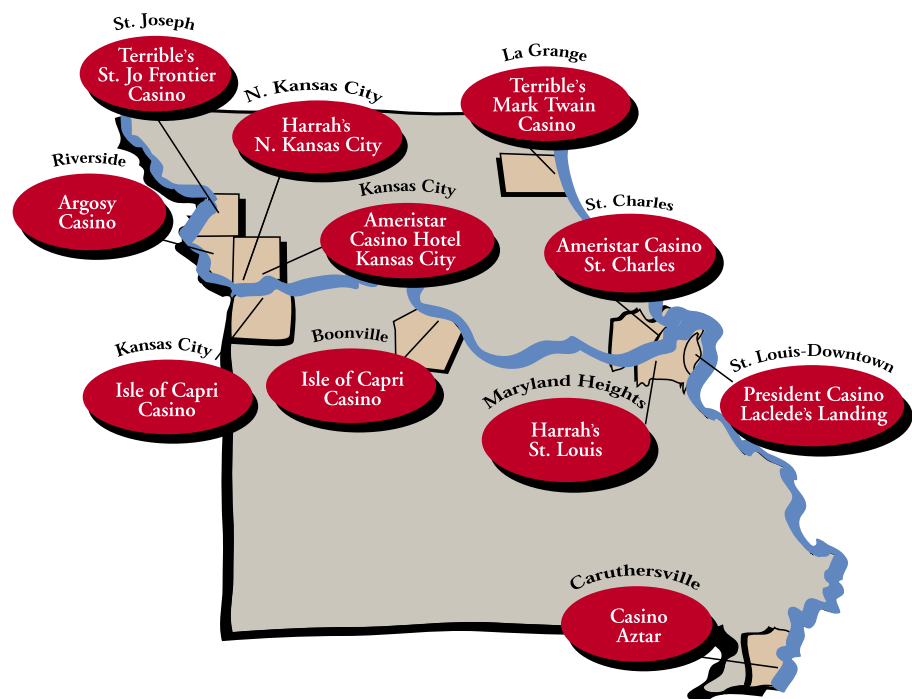
# MISSOURI GAMING ASSOCIATION STATE OF THE INDUSTRY

## 2006

	Gaming Revenue for the School Foundation Formula	Adjusted Gross Revenues by Calendar Year	Admissions by Calendar Year	Total Taxes	Additional Payments to Missouri	Total Taxes, Fees and Reimbursements
2001	\$188 million	\$1.14 billion	47 million	\$322 million	\$6 million	\$328 million
2002	\$218 million	\$1.28 billion	51 million	\$358 million	\$7 million	\$365 million
2003	\$235 million	\$1.33 billion	51 million	\$369 million	\$6 million	\$375 million
2004	\$252 million	\$1.47 billion	54 million	\$403 million	\$7 million	\$410 million
2005	\$271 million	\$1.53 billion	54 million	\$414 million	\$8 million	\$422 million
2006	\$287 million	\$1.59 billion	53 million	\$425 million	\$8 million	\$433 million

## CASINOS – MISSOURI'S HIGHEST TAXED INDUSTRY

Missouri casinos operate in one of the highest-taxed casino jurisdictions in the country, paying an effective tax rate of 30% off the top, before other taxes. That includes a 20% gaming tax, admission fees for patrons visiting their properties and other reimbursements to the state. In fact, Missouri casinos contribute more revenue to the state than all of the approximately 60,000 corporations operating in Missouri. Casino taxes rank as the fifth largest source of revenue to the state.



The Missouri Gaming Association, formerly the Missouri Riverboat Gaming Association, is the professional organization representing the Missouri casino industry.

[www.missouricasinos.org](http://www.missouricasinos.org)

### 2007 Officers

Troy Stremming – President  
Arnold Block – President-Elect  
Jim Franke – Treasurer  
Bob Thursby – Secretary

### 2006 Results

#### Record Revenue and Gaming Taxes

- \$1.59 billion in adjusted gross receipts
- \$340 million to the state in taxes and admission fees
- \$85 million to the host communities in taxes and admission fees
- \$31 million to early childhood programs

#### Industry Economic Contributions

- Since 1994, more than \$2.5 billion for educational programs (elementary and secondary as well as early childhood)
- Since 1994, \$131 million for veterans programs
- 10,900 employees
- \$330 million in wages and tip income in 2006
- 50 percent of employees are female
- 34 percent of employees are minority

## CASINO INVESTMENTS IN MISSOURI TOP \$3 BILLION

Casino companies are committed to providing first-class gaming facilities in Missouri. As a result, more than \$1.3 billion in casino capital improvements, expansions and new facilities are underway or have recently been completed. These investments have a significant positive impact on the local economy.

Since 1994, casino operators have reinvested more than \$3 billion back into their Missouri gaming facilities, or an estimated 60 percent of their operating cash flow, according to Missouri Gaming Commission estimates.

Missouri casino reinvestment was particularly impressive during 2006:

- Pinnacle Entertainment began construction on its \$430 million Lumiere Place casino, hotel and convention center in St. Louis City and its \$375 million River City™ casino, hotel and entertainment center project in St. Louis County. The projects are scheduled for completion in 2007 and 2008 (pending licensure by the Missouri Gaming Commission).
- Argosy Casino in Riverside (Penn National Gaming) completed a new \$66 million hotel and day spa.
- Isle of Capri Boonville completed a \$17.5 million hotel and event center.
- Ameristar St. Charles is building a \$240 million expansion of its casino with a 400-room all-suites hotel, conference center and spa.
- Ameristar Kansas City completed a \$22 million guest room renovation.
- Terrible's St Jo Frontier has completed a \$5.6 million remodeling project.
- Terrible's Mark Twain has a \$1 million renovation project underway at its LaGrange property.



PICTURED ABOVE, TOP TO BOTTOM: Pinnacle Lumiere Place in downtown St. Louis City, exterior rendering; Pinnacle River City complex in St. Louis County, exterior rendering.

## GAMING BENEFITS MISSOURI

The Missouri gaming industry generated a record \$425 million in gaming taxes and admission fees, of which \$340 million went to the state and \$85 million to host communities. Nearly \$287 million

of the state's share of gaming taxes was earmarked for public elementary and secondary education. An additional \$31 million in admission fees fund early childhood programs.



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Isle of Capri Boonville built a new \$17.5 million hotel and event center.



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**FROM LEFT TO RIGHT (this page):**  
Ameristar Kansas City completed a \$22 million guest room renovation.

Ameristar St. Louis is building a \$240 million casino expansion, hotel, conference center and spa.

## MISSOURI IS A LEADER IN RESPONSIBLE GAMING

“Hope for You and Yours” is the newest problem gambling awareness campaign by the Missouri Alliance to Curb Problem Gambling, an organization in which the Missouri Gaming Association is an active charter member.

The new brochures and posters bring awareness to 1-888-BETSOFF, a statewide Missouri toll-free telephone crisis line and referral service managed by Life Crisis Services. Thanks to funding from the Missouri Gaming Association, the 24-hour crisis line employs master’s level counselors

with specialized training in compulsive gambling. Counselors provide resources and guidance to individuals with gambling problems.

The new “Hope for You and Yours” educational materials are free to Missouri residents and businesses – e-mail [betsoff@mollottery.com](mailto:betsoff@mollottery.com).

The Missouri Gaming Association multi-faceted commitment to responsible gaming has been recognized nationally and serves as a model for other gaming jurisdictions.



## Missouri Department of Health Study

In our effort to support public research on problem gambling, the Missouri Gaming Association has allocated funding to add gambling-related questions to the Missouri Department of Health “2007 Behavioral Risk Factor Surveillance System (BRFSS),” a telephone survey used by each state to track health risks. The survey will take place throughout 2007 and results will be available in early 2008.

## Project 21 Youth Education

Project 21, a scholarship contest designed to educate youth about the dangers of underage gambling, is a responsible gaming program that the Missouri Gaming Association has supported for eleven years. The association awards two \$1,500 and four \$1,000 scholarships each year. Applications for the 2007 Project 21 Scholarship forms are available at [www.missouricasinos.org](http://www.missouricasinos.org).



## Ticket In/Ticket Out Responsible Gaming Messages

The Missouri Gaming Association was the first in the country to launch an educational campaign on the back of “ticket-in ticket-out” (TITO) stubs, the bar-coded tickets that have replaced metal tokens in most slot machines. In 2006, Missouri casinos began printing TITO stubs with the toll-free 1-888-BETSOFF helpline for problem gamblers. TITO stubs also offer positive messages about benefits casinos bring to Missouri – great jobs, and funding for schools and veterans’ programs.



## 2006 REPORT TO THE COMMUNITY

Missouri casinos make a difference in Missouri through taxes to education, career jobs, capital investments in the local community, economic development, and charitable giving, according to the “Missouri Casino Industry Report to the Community 2006.” The publication, sponsored by the Missouri Gaming Association, appeared in the *Kansas City Business Journal* and has been distributed in the communities by the casinos.

The report noted that Missouri’s eleven casinos and their employees donated \$2.6 million and more than 3,500 volunteer hours to 780 charities in 2004 and 2005. The report is available online at [www.missouricasinos.org](http://www.missouricasinos.org).

**RIGHT:** The “Missouri Casino Industry Report to the Community 2006” highlights the tax revenues, career opportunities, economic development and charitable support that casinos bring to Missouri.



## LOSS LIMIT IMPACTS ALL GUESTS

Missouri is the only gaming jurisdiction in the world that imposes a \$500 loss limit per gaming session on all of its casino visitors.

While problem gambling affects only 2% of the population, the loss limit inconveniences 100% of casino visitors, who must show legal ID and obtain a registration card that tracks their gambling activities. The average buy-in from guests is \$65, nowhere near the \$500 limit.

Studies by the Missouri Gaming Commission have cast doubt on the effectiveness of the \$500 loss limit at limiting problem gambling. Ninety

percent of the self-banned problem gamblers surveyed said the loss limit did not prevent problem gambling.

The loss limit does, however, put Missouri casinos at a competitive disadvantage to casinos in neighboring states. Many guests view the process as an inconvenience and an invasion of privacy.

The Missouri Gaming Commission estimates that much-needed tax revenues for education and local communities could increase by as much as \$100 million per year if the loss limit were removed.

